



## Chamber of Commerce of the United States

1615 H Street, N.W.  
Washington, D.C. 20062

# NEWS RELEASE

FOR AFTERNOON RELEASE  
Wednesday, March 28, 1984

Contact: Frank Benson  
(202) 463-5682

### CHAMBER OFFERS VIEWS AT HOUSE HEARING ON PENSION PLAN WITH SOCIAL SECURITY COVERAGE FOR NEW FEDERAL WORKERS

WASHINGTON, Mar. 28 -- A redesigned pension system for new federal employees, mandated by a 1983 law, "should be the first step toward bringing order to what heretofore has been a chaotic pension system," an executive with the U. S. Chamber of Commerce said at a House of Representatives hearing today.

Appearing at the House Post Office and Civil Service Committee hearing on federal employee pensions, Michael J. Romig offered the business group's suggestions on revising the federal retirement system as a result of the law requiring new federal workers, after Jan. 1, 1984, to participate in the Social Security program.

"Our recommendation to you is to approach your task with the intention to design a pension program for new employees recognizing that changes in the existing retirement programs will also be necessary," he stated. Romig serves as manager of the Employee Benefits and Human Resources Policy Center of the Chamber.

Presently, there is a "hodgepodge" of over 100 separate pension programs for various groups of federal workers, Romig said, which evolved "without any overall policy guidance. As a result, the federal pension system has and continues to develop on an independent, piecemeal basis, creating a patchwork of programs providing inconsistent and different benefits to various groups," he pointed out. This is one practice that needs correcting, he added, so that all federal retirees receive "comparable and consistent" benefits."

On the subject of comparability, the Chamber witness added that federal pensions need also to be comparable to those in the private sector, saying that there is general agreement "that few private pensions match the generosity of most federal pension plans." Such comparability may be best achieved, he suggested, "by seeking to match benefit for benefit and pay for pay" in measuring government employment and benefits with that in the private sector.

In short, Romig commented, the legislators "must carefully balance the needs and wishes of two distinct groups of federal employees and weigh this against public demands for a less costly retirement system. Also to be considered is the government's need for a pension system that is manageable, nondiscriminatory and complementary to its employee recruitment and retention policies," and pledged the business community's cooperation in meeting these goals.

#####

NOTE TO CORRESPONDENTS: A complete copy of the statement is available from the Chamber News Department, 463-5682

(84-72)